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CENTRAL INTELLIGENCE AGENCY Office of Current Intelligence 9 October 1965

INTELLIGENCE MEMORANDUM

The India-Pakistan Situation (Report #108 - As of 4:00 P.M. EDT)

1. The entire cease fire line from Kashmir to Rajasthan is reported relatively quiet although both sides accuse the other of attempting to regroup and reinforce their troops along the front. New Delhi claims Indian troops killed 33 Pakistani infiltrators and captured six others in two encounters behind

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the lines in Kashmin wastend

US officials in Lahore report that the citizens of that city, many of whom originally doubted the need for a cease fire, have now accepted it and few if any would welcome a return of hostilities. There appears to be a consensus that military force alone cannot bring a settlement on Kashmir and that a solution must be made through diplomatic means, primarily through action of the UN and the "Great Powers." Many citizens of the city report they are "counting" on the US to use its strength to insure an "honorable" settlement. Such a settlement does not necessarily mean Pakistani control of Kashmir and there are proposals, including independence for the disputed territory, being bruited about. citizens of Lahore have warned US officials, however, that the solution must be "honorable" and, if all other avenues to a solution are closed, Pakistan will be "driven into the arms of China" in order to obtain a just settlement.

State Department review completed

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3. New pressures are building up against both the UK and the US in India. New Delhi recently protested what it termed the "non-cooperative attitude" of the British towards the Indian High Commissioner's Office in Karachi during the recent hostilities. Today, an Indian official expressed concern to a US Embassy officer over mistreatment of the Indian High Commissioner in Pakistan and the alleged failure of the US Embassy in Karachi to communicate this information to New Delhi.

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5. The US Embassy in New Delhi, commenting on reports of refugee camps on the <u>Pakistani side</u> of the cease fire line in Kashmir

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there are a number of refugee camps there as well. One camp reportedly contains 60 - 70,000 evacuees from the area of Kashmir now occupied by Pakistani troops.

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